

COMPLAINT

Plaintiff AllRounds, Inc. (“AllRounds” or “Plaintiff”) alleges as follows against Defendants DFJ Management, LLC (“DFJ”), Threshold Management, LLC (“Threshold Management”), DFJ Growth Management, LLC (“DFJ Growth”), Draper Fisher Jurvetson Mercury Venture Partners, L.P. (“DFJ Mercury”), Draper Associates, L.P. (“Draper Associates”) (collectively, the “Draper VC Entities”), and eShares, Inc. d/b/a/ Carta, Inc., Carta Capital Markets, LLC, and Carta Securities, LLC (collectively, “Carta”) (along with the Draper VC Entities, collectively, the “Defendants”). The allegations herein are made based on personal knowledge as to AllRounds with respect to its own actions, and upon information and belief as to all other matters.

INTRODUCTION

1. Founded by entrepreneur Jamie Cohan, AllRounds conceived of and built the world’s first comprehensive private capital management software platform. Based on the market experience and ingenuity of its founder, and through extensive research and development, AllRounds became the first company to offer a scalable, customizable, and accurate software solution that manages the entire workflow of the private investment world.

2. Through his many years of experience in the world of private investment, in the early 2000s, Mr. Cohan discovered significant flaws with the traditional methods for creating financial models concerning privately held companies, accessing those models and attendant data by managers at those companies, and sharing that information with investors. As Mr. Cohan discovered, financial data was unreliable and riddled with human error, and what financial data did exist was largely unavailable to outside investors, who would benefit from access to it. These disadvantages led to great inefficiencies in the ways companies managed their finances and how investing in private companies occurred. To address these and other deficiencies, over the course of years, Mr. Cohan developed a software technology platform that was expansive and comprehensive, while remaining intuitive and easy to use. The resulting AllRounds technology platform provided a private capital management solution to all entities involved in the private capital world—whether they are privately held companies, individual investors, private equity firms, venture capital firms, or associated service firms such as law firms, accounting firms, or valuation service firms.

1 3. It was not long before others took notice of Mr. Cohan’s technological innovations and
2 became interested in the AllRounds software. This included the Draper VC Entities, who recognized
3 the power of AllRounds’ technologies, commenting that “AllRounds has a very impressive product
4 that [] will successfully revolutionize how we use financial info in the venture ecosystem.” However,
5 unbeknownst to Mr. Cohan at the time, it would be those very people that Mr. Cohan trusted with
6 AllRounds’ confidential information that would be the ones to illegally use Mr. Cohan’s technologies
7 against him, to develop a competing product and attempt to put AllRounds out of business.

8 4. Unlike AllRounds, Defendant Carta did not innovate on its own. At the time Mr. Cohan
9 was developing and deploying the AllRounds software to its customers, Defendant Carta had a simple,
10 low-margin and low-tech business of converting paper stock certificates into digital ones. However,
11 in connection with bringing on AllRounds’ former customer as a key investor—the Draper venture
12 capital firm who had acquired AllRounds’ trade secrets and agreed to keep them secret—Carta went
13 from a simple stock certificate company to one that had AllRounds squarely in its sights. This was no
14 coincidence: the Defendants, armed with their knowledge of AllRounds technologies and with
15 AllRounds trade secrets in hand, conspired to provide AllRounds’ trade secret technologies to Carta,
16 to enable Carta to release a competing software product almost identical to AllRounds. Knowing that
17 Mr. Cohan’s technologies would spark a revolution in the private investment world, Defendants
18 planned to promote their version of AllRounds’ technologies, cutting AllRounds out of its own
19 technologies, and taking all the credit. One need not look far to see Defendants’ motives for their
20 illegal acts: thus far, Carta has reaped hundreds of millions of dollars directly attributable to Mr.
21 Cohan’s technologies, and its once sleepy business is now valued at over \$3 billion.

22 5. The misappropriation continues to this day, as Carta continues to sell its
23 misappropriated software and continues to release new software based on Mr. Cohan’s trade secret
24 technologies. The Defendants stole not only AllRounds’ software trade secrets, but also its business
25 plans and market insights, which enabled them to become the dominant force in this winner-take-all
26 market. Acknowledging the illegality of their acts, and in further abject indifference to Mr. Cohan’s
27 rights, Defendants went to great lengths to conceal their scheme to misappropriate AllRounds’ trade
28

1 secrets, including telling Mr. Cohan that they believed there was no market for the technology, while
2 simultaneously building a competing platform using his trade secrets.

3 6. At all times, the Defendants knew that the technology they were using to develop the
4 Carta platform not only constituted AllRounds' trade secrets, but also that aspects of the technology
5 infringed AllRounds patent rights. The Defendants further understood the confidentiality obligations
6 owed to AllRounds, yet proceeded to unlawfully use AllRounds' trade secret technology, business
7 plans, and market insight, and continue to do so to this day.

8 7. The Defendants' misappropriation of trade secrets and Carta's infringement of
9 AllRounds' patents leave AllRounds no choice but to file this lawsuit seeking injunctive relief and
10 recovery of damages for the harm that has been caused by the Defendants' unlawful conduct. The
11 Defendants did not compete fairly with AllRounds—they, through the Draper firm, developed a
12 relationship of trust with AllRounds, then blatantly stole AllRounds' trade secrets and copied
13 AllRounds' proprietary technologies in order to take a shortcut to the marketplace. Such conduct deters
14 investments in technology, harms entrepreneurship, and damages the economy in critical ways. Unless
15 halted, the Defendants' illegal actions will encourage other companies who have not invested in
16 research and development themselves to steal the trade secrets and violate the intellectual property
17 rights of true innovators and entrepreneurs.

18 8. For these reasons and as alleged in detail below, AllRounds brings this action against
19 Defendants for trade secret misappropriation, in violation of the Defend Trade Secret Act, 18 U.S.C.
20 § 1836, *et seq.* and California Uniform Trade Secret Act, Cal. Civ. Code § 3246, *et seq.*, and for patent
21 infringement.

22 **THE PARTIES**

23 9. AllRounds, Inc. is a company organized and existing under the laws of California
24 having a principal place of business in Tiburon, California, with its mailing address at 548 Market
25 Street, Suite 95255, San Francisco, California 94104.

26 10. Defendant DFJ Management, LLC ("DFJ") is a company, formerly known as Draper
27 Fisher Jurvetson Management, LLC, organized and existing under the laws of California, with its
28 principal place of business at 2882 Sand Hill Road, Menlo Park, California 94025. DFJ also does

business under at least the following names: Draper Fisher Jurvetson; Threshold Ventures I General Partner LLC; Threshold Ventures I Management Company, LLC; Draper Fisher Jurveston Management Company VI, LLC; Draper Fisher Jurveston Fund VII Partners, L.P.; Draper Fisher Jurveston Fund VII Management Company, LLC; Draper Fisher Jurveston Fund VIII Partners, L.P.; Draper Fisher Jurveston Fund VIII Management Company, LLC; Draper Fisher Jurveston Fund IX Partners L.P.; Draper Fisher Jurveston Fund IX Management Company, LLC; Draper Fisher Jurveston Fund X Partners, L.P.; Draper Fisher Jurveston Fund X Management Company, LLC; Draper Fisher Jurveston Fund XI Partners, L.P.; Draper Fisher Jurveston Fund XI Management Company, LLC; Threshold Ventures II Management Company, LLC; Threshold Ventures II General Partner, LLC; Threshold Ventures I Partners Fund, LLC; Draper Fisher Jurveston Partners IX, LLC; Draper Fisher Jurveston Partners VI, LLC; Draper Fisher Jurveston Partners VII, LLC; Draper Fisher Jurveston Partners VIII, LLC; Draper Fisher Jurveston Partners X, LLC; Threshold Ventures I Partners Fund, LLC; Threshold Ventures I, L.P.; Threshold Ventures II Partners Fund, LLC; Threshold Ventures II, L.P.; DFJ Fund VII; DFJ Fund VIII; DFJ Fund IX; DFJ Venture; DFJ Ventures; Draper Fisher Jurvetson Venture Partners, L.P.; Draper Fisher Jurveston Management Company V, LLC; Draper Fisher Management Company, LLC.

11. Defendant Threshold Management LLC (“Threshold Management”) is a company, formerly known as DFJ Venture, organized and existing under the laws of California, with its principal place of business at 2882 Sand Hill Road, Suite 150, Menlo Park, California 94025. Threshold Management also does business under at least the following names: Threshold Ventures; Threshold Ventures III General Partner, LLC; Threshold Ventures III, L.P.

12. Defendant DFJ Growth Management, LLC (“DFJ Growth”) is a company organized and existing under the laws of California, with its principal place of business at 2882 Sand Hill Rd Suite 150, Menlo Park, California 94025.

13. Defendant Draper Fisher Jurvetson Mercury Venture Partners, L.P. (“DFJ Mercury”) is a company organized and existing under the laws of Delaware, with its principal place of business at 3737 Buffalo Speedway, Suite 1750, Houston, Texas 77098.

1 subsidiaries, divisions, groups or distributors) have sufficient minimum contacts with the Northern
 2 District of California as a result of substantial business conducted within the State of California.

3 22. Personal jurisdiction also exists specifically over all the Defendants because they have
 4 each committed acts of misappropriation, and, additionally Carta has committed acts of patent
 5 infringement, in this District and the State of California, because Carta directly and/or through its
 6 subsidiaries, divisions, groups, or distributors, advertises, markets, uses, offers for sale, imports for
 7 sale and/or sells the products at issue in this case containing the misappropriated technology in this
 8 District and the State of California, and places those products in the stream of commerce with the
 9 expectation and knowledge that they will be purchased by consumers in this district.

10 VENUE

11 23. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391(b), 1400(a) because a
 12 substantial part of the events or omissions giving rise to the claim occurred in this judicial district, and
 13 a substantial part of property that is the subject of the action is situated in this judicial district. Further,
 14 Carta has committed acts of patent infringement in this judicial district and has a principal place of
 15 business in in this judicial district, as described above, and therefore has a regular and established
 16 place of business in this judicial district. Moreover, all Defendants committed acts of trade secret
 17 misappropriation in this judicial district. Lastly, all Defendants except for DFJ Mercury have a
 18 principal place of business or offices in which they regularly conduct business in this judicial district.

19 INTRADISTRICT ASSIGNMENT

20 24. This is an action regarding intellectual property rights and therefore excluded from the
 21 division-specific venue rule, pursuant to L.R. 3-2(c).

22 ADDITIONAL FACTUAL ALLEGATIONS

23 **A. AllRounds' Trade Secret Technologies**

24 25. As described above, Mr. Cohan recognized significant problems with the way
 25 computer-based private capital and internal finance operated in the early-to-mid 2000s. Using his
 26 knowledge concerning those industries and of computer programming, he developed his innovative
 27 technologies directed at addressing those problems, which revolutionized the way private companies
 28 and their investors do business. One way that AllRounds pioneered private capital management was

1 by innovating a technology system and a method that use intelligently-designed and comprehensive
2 software accessible to a plurality of users through a communication network, such as the Internet. The
3 software facilitates pre-financing and post-financing interactions between the users, which may be, for
4 example, companies and investors, throughout one or more “rounds” of financing. This innovation
5 greatly reduces deadweight loss and uncaptured value that existed in prior software solutions due to
6 the lack of a standard process for exchanging securities, lack of transparent information, lack of
7 continuous valuation ability, and lack of a critical mass of investors.

8 26. Respecting intellectual property rights is important to AllRounds, and AllRounds
9 protected its technological innovations in a number of ways.

10 27. For example, AllRounds maintained many of its technological innovations as trade
11 secrets. Many of these trade secrets focused on three primary components of AllRounds’ innovative
12 platform: (1) technological functionality for private companies to manage their own finances; (2)
13 technological functionality for investors to manage investments, including in those companies; and
14 (3) technological capabilities to allow the company and investor sides of its software to integrate in a
15 unique and innovative way.

16 28. AllRounds’ trade secrets relating to its technologies for private companies concern the
17 design and implementation of a hardware and software platform that creates a comprehensive picture
18 of a company’s financing and capitalization, using advanced mathematical tools and synthesizing a
19 greater number of data sources than ever before possible to create a fully-informed system that is easier
20 to manage, far less prone to human error, and far more flexible, dynamic, and scalable as a company
21 grows and changes over time.

22 29. AllRounds’ trade secrets relating to its technologies for venture capital and other
23 investors concern the design and implementation of a hardware and software platform that provides
24 visibility into financial performance of investments and a greater ability to track and manage one’s
25 stake in a given company in a way that greatly reduces management overhead and mitigates error.
26 AllRounds’ integration of the company and investor sides of its platform involves additional trade
27 secrets concerning the design and implementation of that integration, and its use to enable a new world
28 of private security trading.

30. The particular combination of features AllRounds chose to include in its software, and the look and feel of those features also reflect years of research and development, as well as Mr. Cohan extensive experience in the industry and his ingenuity, which made AllRounds platform unlike any other financial and capital management software.

B. AllRounds Diligently Protects Its Trade Secrets and Confidential Information

31. AllRounds has expended considerable resources in research and development, which resulted in volumes of confidential technical trade secrets. AllRounds has also committed a significant amount of resources in developing its business plans and market insight, which led to additional proprietary trade secrets. In particular, significant aspects of AllRounds' products and business are highly confidential, and are maintained by AllRounds in strict confidence as trade secrets to protect their value and the substantial investments AllRounds has made to develop them. Indeed, this confidential information derives considerable value from not being publicly known outside of AllRounds.

32. After experiencing first-hand the challenges associated with funding technology companies in the late 1990s and early 2000s, Mr. Cohan founded AllRounds in 2007. The development of AllRounds' trade secret technologies required Mr. Cohan to make substantial capital investments, and expend thousands of person hours on software development and testing.

33. AllRounds has acted reasonably and diligently to protect the secrecy of its trade secret and confidential information, including by the following measures:

- Securing access to the premises of its headquarters;
- Requiring employees to sign non-disclosure / confidentiality agreements;
- Protecting the AllRounds software by password, which is only able to be created and distributed by AllRounds employees;
- Storing AllRounds confidential source code information on secure, password-protected servers that only AllRounds research and development staff have access to;
- Performing exit interviews in which AllRounds' managers discuss the continuing nature of one's duties of confidentiality to AllRounds, as well as detailed questions about return of company documents, diligently seeking return of its property including its trade secret and confidential information;
- Requiring that employees reaffirm their confidentiality, non-disclosure, employee non-solicitation and return of property obligations upon termination of employment;
- Sharing information with potential customers and investors with strict expectation of confidentiality;

- Labeling confidential material with a designation indicating its confidential nature where practicable; and
- Requiring customers to sign a non-disclosure / confidentiality agreement before obtaining access to the AllRounds software.

C. AllRounds' Patented Technologies

34. In addition to protecting its technologies through trade secret protection, AllRounds also protected certain other of its technologies through patents. In particular, AllRounds applied for and obtained two U.S. patents. United States Patent No. 8,046,295 (the "'295 patent"), entitled "Private Capital Management System and Method," issued on October 25, 2011 to inventor James Anthony Cohan. A true and correct copy of AllRounds' '295 patent is attached as Exhibit A. AllRounds is the owner and sign assignee of the '295 patent and has the full right to enforce and/or license the '295 patent. The '295 patent is valid and enforceable. United States Patent No. 8,374,954 (the "'954 patent"), with the same title, issued on February 12, 2013 to the same inventor. A true and correct copy of AllRounds' '954 patent is attached as Exhibit B. AllRounds is the owner and sign assignee of the '954 patent and has the full right to enforce and/or license the '954 patent. The '954 patent is valid and enforceable.

D. The Draper VC Entities Acquired Extensive AllRounds Trade Secrets

35. Upon learning about AllRounds' groundbreaking technologies, the Draper VC Entities were immediately interested. As to DFJ, in or around April 2010, AllRounds' Vice President of Sales, Rizwan Hussain ("Hussain") connected with Marta Bulaich ("Bulaich") of DFJ. Bulaich was responsible for coordinating among affiliates of DFJ and the various Draper VC Entities on behalf of DFJ.

36. DFJ was very interested in what AllRounds had to offer, and so about one week later, on or around June 18, 2010, AllRounds had a kickoff meeting with Mark Greenstein ("Greenstein"), CFO of DFJ, and Bulaich. During the meeting, the DFJ representatives stated they would introduce AllRounds to Draper Associates, DFJ Growth, and DFJ Mercury, and proceeded to do so.

37. On or around July 15, 2010, Draper Associates partner Joel Yarmon ("Yarmon") emailed Valerie Milligan ("Milligan"), executive assistant to Mark Bailey ("Bailey"), partner at DFJ Growth, encouraging DFJ Growth to adopt AllRounds products.

1 38. On or around March 17, 2011, DFJ Growth entered into the AllRounds Master
2 Subscription Agreement (“MSA”), formally becoming an AllRounds’ customer. AllRounds provided
3 its proprietary system including AllRounds trade secrets to DFJ Growth and continued working closely
4 with DFJ Growth. The recipients of AllRounds’ confidential information included partners, executive
5 assistants, associates, and IT personnel.

6 39. On or around March 6, 2012, DFJ Mercury entered into the AllRounds MSA and
7 formally became an AllRounds’ customer. AllRounds provided its proprietary system, including
8 AllRounds trade secrets, to DFJ Mercury and continued working closely with DFJ Mercury.
9 AllRounds’ technology proved to be critically valuable as AllRounds’ proprietary products and
10 features identified major inconsistencies in DFJ Mercury’s financial information multiple times. The
11 recipients of AllRounds’ confidential information involved the CFO, the managing partner, and the
12 director of financial reporting.

13 40. On or around March 6, 2012, DFJ Mercury’s MSA was amended to add access for
14 Draper Fisher Jurvetson Venture Partners, L.P. Pursuant to the Amendment, DFJ Venture had full
15 access to AllRounds’ system, and did access the system, including AllRounds’ trade secrets, and
16 promised to keep such information confidential.

17 41. The Draper VC Entities agreed, via the MSA, that neither the Draper VC Entities nor
18 their affiliates would, *inter alia*, make improper use of any of AllRounds’ confidential information,
19 and would not disclose or use any AllRounds confidential information outside the scope of the
20 agreement. Additionally, AllRounds always stressed to recipients of its confidential information,
21 including its trade secrets, that it regarded such information as confidential, and the recipients of that
22 information verbally assented that they were keep the information confidential.

23 42. On or around September 3, 2013, Tim Draper, head of the Draper VC Entities, emailed
24 Mr. Cohan to schedule a meeting ostensibly to discuss the possibility of the Draper VC Entities
25 investing in AllRounds. Unbeknownst to AllRounds and Mr. Cohan, just a month earlier, the Draper
26 VC Entities had already invested in eShares, soon to be renamed Carta, and were in actuality seeking
27 to continue to extract as much proprietary trade secret information from AllRounds as possible before
28 abandoning it and developing a competing product with eShares/Carta.

43. The meeting took place on or around September 17, 2013. During the meeting, AllRounds met with Tim Draper, discussed AllRounds' business strategy, and demonstrated AllRounds' latest product functionalities. AllRounds explained to Mr. Draper that AllRounds' products and the presentation contained confidential information including AllRounds trade secrets, and that AllRounds had also obtained the '295 patent. Two days after the meeting, on or around September 19, 2013, Tim Draper emailed Mr. Cohan, stating that AllRounds' technology "is cool and mission critical for us."

44. On or around October 1, 2013, Tim Draper again asked AllRounds to meet, this time with DFJ's CFO Mark Greenstein and partner Josh Stein. The meeting took place on or around October 9, 2013.

45. After that meeting, and once the Draper VC Entities had taken everything they could from AllRounds, the Draper VC entities cut and ran. On or around October 13, 2013, Tim Draper informed AllRounds that DFJ would not invest in AllRounds due to "market size issues." Again, just two months prior, the Draper VC Entities had invested in eShares/Carta, whereby the two companies would conspire to enter that very market using AllRounds' trade secrets. On or around October 30, 2013, Mr. Cohan emailed Tim Draper, seeking an introduction to AngelList, which DFJ was invested in. For the first time during the several years that AllRounds had been communicating with the Draper VC Entities, Tim Draper did not reply. On or around December 30, 2013, DFJ Growth and DFJ Mercury terminated their customer relationships with AllRounds.

E. Carta Enters the Private Capital Management Market Only After Being Provided With AllRounds' Trade Secret Information

46. Founded in July 2012, eShares (later renamed "Carta") provided a low-margin and low-tech, commodity service whereby eShares converted paper stock certificates to electronic stock certificates. <https://web.archive.org/web/20131010031325/https://www.esharesinc.com>. Before eShares obtained AllRounds' trade secret information, its simple product was drastically different from what its comprehensive financial software offerings would later become.

47. With AllRounds' proprietary trade secret information in hand from years of confidential discussion and use of the AllRounds products under confidentiality agreements, the

1 Draper VC Entities invested in the “seed” round of financing for eShares via DFJ on or around August
2 13, 2013. As they acquired everything they could from AllRounds, after years of close communication
3 and confidential disclosures, the Draper VC Entities took those trade secrets to eShares, and the
4 transformation of eShares into an AllRounds copycat began.

5 48. In November 2013, eShares announced it would introduce a cap table management
6 product, a drastic deviation from its basic digital stock certificate conversion offerings.
7 [https://web.archive.org/web/20140306064440/http://vator.tv/news/2013-11-21-splash-sf-oct-2013-](https://web.archive.org/web/20140306064440/http://vator.tv/news/2013-11-21-splash-sf-oct-2013-finalist-eshares)
8 [finalist-eshares](https://web.archive.org/web/20140306064440/http://vator.tv/news/2013-11-21-splash-sf-oct-2013-finalist-eshares). Even then, as eShares acknowledged, eShares’ cap table management product was a
9 much narrower offering than the comprehensive private capital management platform that AllRounds
10 developed. <https://carta.com/blog/eshares-is-now-carta/> (“The investor criticism of eShares has
11 always been ‘how big can the cap table market be?’ It turns out much bigger than people thought.”).
12 Yet Carta was actively and surreptitiously copying AllRounds trade secrets, to offer the broader and
13 highly innovative platform that had been developed by AllRounds.

14 49. Accordingly, Carta thereafter further pivoted its business into additional private capital
15 management features based on AllRounds patented technologies and trade secrets. This included
16 Carta for Private Companies and Carta for Venture Capital. This also included CartaX, an exchange
17 platform based on AllRounds’ patented technologies and trade secrets. By misappropriating
18 AllRounds’ trade secrets, Carta gained entry into a market that it had no ability to enter before
19 acquiring that information, thereby transforming its once-sleepy business into a multi-billion-dollar
20 juggernaut that is seen as the future of the private capital market world, just as AllRounds was when
21 it was discovered by the Draper VC Entities.

22 50. The Draper VC Entities via Draper Associates further invested in Carta’s Series B
23 financing round on or around July 12, 2015, loaned funds to Carta via convertible note on or around
24 February 13, 2017, invested in Carta’s Series C financing round on or around October 11, 2017,
25 invested in Carta’s Series C prime financing round on or around January 30, 2018, invested in Carta’s
26 Series D financing round on or around December 26, 2018, invested in Carta’s Series E financing
27 round on or around May 6, 2019, and invested in Carta’s Series F financing round on or around May
28 10, 2020.

51. On or around November 6, 2017, eShares renamed itself “Carta.”
<https://carta.com/blog/eshares-is-now-carta/>.

52. Carta’s software technologies and business strategies are nearly identical to those of AllRounds. When viewed in context with AllRounds’ innovative technologies, Carta’s use of AllRounds’ intellectual property is undeniable, as is its focus on them as a company, as indicated by its descriptions of its products and its CEO’s discussion of its business plans, both past and future.
<https://techcrunch.com/2019/05/06/carta-was-just-valued-at-1-7-billion-by-andreessen-horowitz-in-a-deal-some-see-as-rich/>.

53. Following its most recent round of Series F preferred stock financing which closed on or around May 10, 2020, Carta is reported to have a “post-money” valuation of over \$3.2 billion. https://westcoast.partners/portfolio_type/carta/.

COUNT I

Trade Secret Misappropriation Under The Defend Trade Secrets Act, 18 U.S.C. §§ 1836(b), 1839 *et seq.* (Against All Defendants)

54. AllRounds re-alleges and incorporates by reference the allegations above as though fully set forth herein.

55. AllRounds’ trade secret and confidential information relates to products or services used, sold, purchased, or transported, or intended for use, sale, purchase, or transport, across the country and throughout the world.

56. AllRounds is the owner of trade secret and confidential information, that as described above, constitute “trade secrets” within the meaning of 18 U.S.C. § 1839(3).

57. The above detailed trade secret and confidential information that Defendants accessed, used, copied, and shared derives independent economic value, both actual and potential, from not being generally known to and not being readily ascertainable through proper means by AllRounds’ competitors, including Carta, or to other persons or entities who might obtain economic value from their disclosure or use.

1 58. At all times relevant herein, AllRounds has taken the above-described reasonable
2 measures to protect the secrecy of its trade secret and confidential information, including that which
3 Defendants have misappropriated.

4 59. The Draper VC Entities gained access to AllRounds' trade secrets under non-disclosure
5 and confidentiality agreements.

6 60. The Draper VC Entities subsequently used and disclosed to Carta AllRounds' trade
7 secrets. Carta conspired with Draper VC Entities to steal AllRounds' trade secret technologies and
8 soon thereafter released a competing software platform almost identical to AllRounds. At all relevant
9 times, Defendants were aware that Draper VC Entities had obligations to AllRounds to refrain from
10 taking AllRounds' trade secrets.

11 61. Defendants improperly acquired AllRounds' trade secrets and have since improperly
12 used and disclosed those trade secrets, including by incorporating them into products Carta developed
13 as its own.

14 62. Defendants' actions, as set forth herein, constitute "misappropriation" within the
15 meaning of 18 U.S.C. § 1839(5).

16 63. Defendants accessed, used, copied, and shared AllRounds' trade secret and confidential
17 information by improper means, without AllRounds' express or implied consent.

18 64. Defendants knew or had reason to know at the time they accessed, used, copied, and/or
19 shared AllRounds' trade secret and confidential information that this information was acquired and
20 maintained by improper means and/or under circumstances giving rise to a duty to maintain secrecy
21 or limit use.

22 65. Defendants are retaining and using AllRounds' trade secret and confidential
23 information to compete with and/or otherwise harm AllRounds. As alleged herein, Defendants
24 committed numerous acts in furtherance of its misappropriation in the United States and in this
25 District, including misappropriating trade secrets that it obtained and/or originated from this District
26 with knowledge and intent to harm AllRounds in this District, as well as attempting to sell and/or
27 selling (and/or facilitating selling) products in the U.S. and this District that benefit from Defendants'
28 theft.

1 73. At all times relevant herein, AllRounds has taken the above-described reasonable
2 measures to protect the secrecy of trade secret and confidential information, including that which
3 Defendants has misappropriated.

4 74. The Draper VC Entities gained access to AllRounds' trade secrets under non-disclosure
5 and confidentiality agreements.

6 75. The Draper VC Entities subsequently used and disclosed to Carta AllRounds' trade
7 secrets. Carta conspired with Draper VC Entities to steal AllRounds' trade secret technologies and
8 soon thereafter released a competing product almost identical to AllRounds. At all relevant times,
9 Defendants were aware that Draper VC Entities had obligations to AllRounds to refrain from taking
10 AllRounds' trade secrets.

11 76. Defendants improperly acquired AllRounds' trade secrets and have since improperly
12 used and disclosed those trade secrets, including by incorporating them into products Defendants
13 develops as its own.

14 77. Defendants' actions, as set forth herein, constitute "misappropriation" within the
15 meaning of Cal. Civil Code § 3426.1.

16 78. Defendants accessed, used, copied, and shared AllRounds' trade secret and confidential
17 information by improper means, without AllRounds' express or implied consent.

18 79. Defendants knew or had reason to know at the time they accessed, used, copied, and/or
19 shared AllRounds' trade secret and confidential information that this information was acquired and
20 maintained by improper means and/or under circumstances giving rise to a duty to maintain its secrecy
21 or limit its use.

22 80. Defendants has failed to return to AllRounds the trade secret and confidential
23 information that it misappropriated.

24 81. Defendants is retaining and using AllRounds' trade secret and confidential information
25 to compete with and/or otherwise harm AllRounds.

26 82. Defendants' misappropriation proximately caused damages to AllRounds, including
27 but not limited to loss of profits, goodwill, competitive advantage and business opportunities.
28

83. Defendants has been unjustly enriched as a further proximate result of its misappropriation of AllRounds' trade secret and confidential information.

84. Defendants' actions in misappropriating AllRounds' trade secret and confidential information were willful, fraudulent, malicious, and was done with the intent to injure and oppress AllRounds and improve Defendants' own economic opportunities, thereby justifying an award of punitive damages against Defendants pursuant to Cal. Civil Code section 3426.3(c) and attorneys' fees pursuant to Cal. Civ. Code § 3426.4.

85. AllRounds is also entitled to temporary, preliminary, and permanent injunctive relief to protect its confidential information and trade secrets by 1) enjoining Defendants from using or disclosing AllRounds' trade secret and confidential information; 2) enjoining Defendants from altering or deleting AllRounds' trade secret and confidential information; and 3) requiring Defendants to turn over any and all copies of AllRounds' trade secret and confidential information to AllRounds.

COUNT III

Infringement of Patent No. 8,046,295 (Against Carta)

86. AllRounds incorporates and re-alleges each and every allegation above as if fully set forth herein.

87. The '295 patent, entitled "Private Capital Management System and Method," was duly and lawfully issued on October 25, 2011. A true and correct copy of AllRounds' '295 patent is attached as Exhibit A.

88. AllRounds is the owner of all rights, title, and interest in the '295 patent, including the right to bring this suit for injunctive relief and damages.

89. The '295 patent is valid and enforceable.

90. AllRounds has marked its products with the '295 patent since it issued, and has also listed the '295 patent on its website since it issued. <https://www.allrounds.com/about>.

91. Carta has infringed, and continues to infringe, literally and/or through the doctrine of equivalents, one or more claims of the '295 patent, including but not limited to claim 1, pursuant to 35 U.S.C. § 271(a), by making, using, selling, offering to sell, and/or importing within the United

1 States, without authority, products that are covered by one or more claims of the '295 patent. These
 2 products include, but are not limited to Carta for Private Companies, Carta for Venture Capital, and/or
 3 CartaX, alone or in combination ("Accused Products").

4 92. In addition to directly infringing the '295 patent, Carta has indirectly infringed and
 5 continues to indirectly infringe one or more claims of the '295 patent, including at least claim 1, by
 6 actively inducing others to directly infringe the '295 patent in violation of 35 U.S.C. § 271(b).
 7 Specifically, and in light of the knowledge of the '295 patent by Carta (at least by the filing of this
 8 Complaint), Carta knowingly induced infringement of the '295 patent with specific intent to do so by
 9 its activities relating to the sales and offers to sell its Accused Products to its purchasers, and by
 10 instructing and encouraging purchasers to operate and use those products in an infringing manner with
 11 knowledge that these actions would infringe the '295 patent.

12 93. Carta has also contributed to infringement of the '295 patent by others by selling or
 13 offering to sell products that constitute a material part of the '295 patent claimed inventions, that are
 14 especially made and/or adapted for infringing the '295 patent and are not staple articles of commerce
 15 suitable for substantial non-infringing use and that have been sold to purchasers who infringe the '295
 16 patent. Specifically, and in light of the knowledge of the '295 patent by Carta as previously alleged,
 17 Carta had knowledge that its products were specifically made and/or adapted for infringement of the
 18 '295 patent and are not staple articles of commerce suitable for substantial non-infringing use.

19 94. For example, Carta has infringed, and continues to infringe, at least claim 1 of the '295
 20 patent:

21 1. A computer-implemented data processing system comprising:

22 a data storage system that receives and stores financial information regarding
 23 capitalization and financial performance of companies, the capitalization including
 24 equity securities and debt securities issued by the companies and traded in private
 capital markets, the investors having ownership interests in the equity securities and
 the debt securities; and

25 a processor and computer-readable media, having instructions stored therein that when
 26 executed by the processor cause the processor to implement capital management logic,
 27 the capital management logic being accessible to a plurality of users by way of a
 28 communication network, the plurality of users including companies, institutional
 investors, individual investors, and exchanges, the capital management logic being
 configured to facilitate pre-financing and post-financing transactions and other
 interactions between the companies, the institutional investors, the individual investors,

1 and the exchanges throughout one or more rounds of financing of the companies, the
2 capital management logic being configured to track the capitalization and financial
3 performance of the companies.

4 95. The Accused Products have a computer-implemented data processing system. For
5 example, the Accused Products, such as Carta for Private Companies and Carta for Venture Capital,
6 provide an “all-in-one platform” that can receive and output various data. <https://carta.com/investors/>;
7 *see also, e.g.,* <https://carta.com/private-companies/>. As another example, Carta alleges that CartaX is
8 “[t]he first vertically integrated market ecosystem for private equity[.]” <https://cartax.com/>.

9 96. The Accused Products have or are used with a data storage system that receives and
10 stores financial information regarding capitalization and financial performance of companies, the
11 capitalization including equity securities and debt securities issued by the companies and traded in
12 private capital markets, the investors having ownership interests in the equity securities and the debt
13 securities. For example, the Accused Products provide for or work with a data storage system that
14 receives and stores information regarding financial performance of companies, such as “revenue and
15 net income” and “cash balance,” as required in Carta for Private Companies and Carta for Venture
16 Capital (<https://support.carta.com/s/article/financing-history-page>), or such as “data on scores of
17 private companies” and “key financial metrics,” as required in CartaX
18 (<https://www.ft.com/content/d52b0487-b13c-4bae-bf27-770518ff083d>;
19 <https://www.tradingandinvestmentnews.co.uk/silicon-valley-start-up-carta-plans-private-stock-exchange-to-rival-nasdaq/>).

20 97. As another example, the Accused Products provide for or work with a data storage
21 system that receives and stores information regarding capitalization.
22 <https://support.carta.com/s/article/exporting-the-cap-table>. The capitalization includes equity
23 securities such as preferred stocks (labeled as “PS” in the Accused Products), as well as debt securities
24 such as convertible notes (labeled as “CN” in the Accused Products). *Id.* These securities are issued
25 by companies, such as “Meetly” as illustrated by the Accused Products. *Id.* The securities are traded
26 in the private capital markets through the “Transaction” tab and as further detailed below. *Id.* As a
27 further example, the Accused Products, such as CartaX, offers “[s]eamless cap table integration,”
28

1 allowing individual and institutional investors to have access to companies' capitalization information.
2 <https://cartax.com/>.

3 98. The Accused Products have or make use of a processor and computer-readable media,
4 the computer readable media having instructions stored therein that when executed by the processor
5 cause the processor to implement capital management logic, the capital management logic being
6 accessible to a plurality of users by way of a communication network, as is evidenced by the "all-in-
7 one platform" that can receive and output various data offered by the Accused Products.
8 <https://carta.com/investors/>; see also, e.g., <https://carta.com/private-companies/>. The same limitation
9 is further met by CartaX, which Carta alleges is "[t]he first vertically integrated market ecosystem for
10 private equity[.]" <https://cartax.com/>.

11 99. The Accused Products involve the plurality of users including companies, institutional
12 investors, individual investors, and exchanges. For example, the Accused Products, such as Carta for
13 Private Companies and Carta for Venture Capital, allow for companies and investors to complete "a
14 tender offer or secondary with a third party buyer" "through the Carta feature."
15 <https://support.carta.com/s/article/transfer-shares>. Moreover, the Accused Products involve exchange
16 users, including Carta Securities, LLC. For example, the Accused Products, such as Carta for Private
17 Companies and Carta for Venture Capital "transact[] \$140 million+ in option exercises, repurchases,
18 and tender offers per month." <https://carta.com/carta-vs-shareworks/>.

19 100. As a further example, the Accused Products, such as CartaX, which Carta alleges is
20 "[t]he first vertically integrated market ecosystem for private equity," <https://cartax.com/>, allow for
21 "[an] issuer (i.e., company) [to] exercise controls on the auction configuration," where "the auctions
22 can be accessible by *any institutional investor* on the buy side and *anyone on the cap table* on the sell
23 side." <https://tribecap.co/1-trillion-in-equity-how-carta-is-set-to-unlock-the-private-markets/>
24 (emphasis in original). The Accused Products, such as CartaX, also involve exchange users. As Henry
25 Ward, Carta's CEO, stated, "[i]f CartaX wins, in 10 years there won't be a NYSE or a Nasdaq."
26 <https://www.ft.com/content/d52b0487-b13c-4bae-bf27-770518ff083d>; see also <https://cartax.com/>
27 ("CartaX: More than a trading platform"); <https://capital.com/silicon-valley-start-up-carta-looks-to->
28

1 [launch-private-share-trading-platform](#) (describing CartaX as “a private share trading platform that
2 [Carta] hopes will be a credible alternative to leading stock exchanges.”).

3 101. The Accused Products have capital management logic being configured to facilitate
4 pre-financing and post-financing transactions and other interactions between the companies, the
5 institutional investors, the individual investors, and the exchanges throughout one or more rounds of
6 financing of the companies. For example, the Accused Products have the capital management logic
7 that is configured to facilitate pre-financing transactions, such as due diligence, between the
8 companies, the institutional investors, the individual investors, and the exchanges throughout one or
9 more rounds of financing of the companies, allowing Carta’s users to “quickly respond to inquiries
10 during the due diligence process” and “alleviat[e] a buyer’s concerns.” [https://carta.com/blog/how-](https://carta.com/blog/how-carta-helps-with-m-a/)
11 [carta-helps-with-m-a/](https://carta.com/blog/how-carta-helps-with-m-a/).

12 102. As another example, the Accused Products have the capital management logic that is
13 configured to facilitate pre- and post-financing transactions, such as secondary transactions, between
14 the companies, the institutional investors, the individual investors, and the exchanges throughout one
15 or more rounds of financing of the companies, where “[p]articipants review offers, sign docs, and
16 transact all through Carta.” <https://carta.com/private-companies/liquidity/>.

17 103. As a further example, CartaX is a “secondary platform” for transaction of “private
18 assets.” <https://tribecap.co/1-trillion-in-equity-how-carta-is-set-to-unlock-the-private-markets/>;
19 <https://cartax.com/>. CartaX also “[f]acilitate[s] access to disclosures and company-provided KPIs to
20 all permissioned buyers and sellers.” <https://cartax.com/private-companies/carta-cross/>.

21 104. The Accused Products have the capital management logic being configured to track the
22 capitalization and financial performance of the companies, as explained above. For example, the
23 Accused Products track companies’ financial performance, such as “revenue and net income” and
24 “cash balance,” as required in Carta for Private Companies and Carta for Venture Capital
25 (<https://support.carta.com/s/article/financing-history-page>), or such as “data on scores of private
26 companies” and “key financial metrics,” as required in CartaX
27 (<https://www.ft.com/content/d52b0487-b13c-4bae-bf27-770518ff083d>;
28 <https://www.tradingandinvestmentnews.co.uk/silicon-valley-start-up-carta-plans-private-stock->

1 [exchange-to-rival-nasdaq/](#)). As another example, the Accused Products track companies'
2 capitalization including equity and debt securities. [https://support.carta.com/s/article/exporting-the-](https://support.carta.com/s/article/exporting-the-cap-table)
3 [cap-table; https://cartax.com/](https://cartax.com/).

4 105. In confirmation of the specific and concrete advancements of the AllRounds patented
5 technologies over the prior art, Carta asserts that the patented technologies are so valuable that they
6 will allow Carta to put the New York Stock Exchange and the Nasdaq out of existence and create the
7 never-before-seen ability for a company to be both “private and liquid.”
8 [https://www.tradingandinvestmentnews.co.uk/silicon-valley-start-up-carta-plans-private-stock-](https://www.tradingandinvestmentnews.co.uk/silicon-valley-start-up-carta-plans-private-stock-exchange-to-rival-nasdaq/)
9 [exchange-to-rival-nasdaq/](#).

10 106. As the direct and proximate result of Carta’s conduct, AllRounds has suffered and, if
11 Carta’s conduct is not stopped, will continue to suffer, severe competitive harm, irreparable injury,
12 and significant damages, in an amount to be proven at trial. Because AllRounds’ remedy at law is
13 inadequate, AllRounds seeks, in addition to damages, temporary, preliminary, and permanent
14 injunctive relief. AllRounds’ business operates in a competitive market and will continue suffering
15 irreparable harm absent injunctive relief.

16 **COUNT IV**

17 **Infringement of Patent No. 8,374,954** 18 **(Against Carta)**

19 107. AllRounds incorporates and re-alleges each and every allegation above as if fully set
20 forth herein.

21 108. The ’954 patent, entitled “Private Capital Management System and Method,” was duly
22 and lawfully issued on February 12, 2013. A true and correct copy of AllRounds’ ’954 patent is
23 attached as Exhibit B.

24 109. AllRounds is the owner of all rights, title, and interest in the ’954 patent, including the
25 right to bring this suit for injunctive relief and damages.

26 110. The ’954 patent is valid and enforceable.

27 111. AllRounds has marked its products with the ’954 patent since it issued, and has also
28 listed the ’954 patent on its website since it issued. <https://www.allrounds.com/about>.

112. Carta has infringed, and continues to infringe, literally and/or through the doctrine of equivalents, one or more claims of the '954 patent, including but not limited to claim 1, pursuant to 35 U.S.C. § 271(a), by making, using, selling, offering to sell, and/or importing within the United States, without authority, products that are covered by one or more claims of the '954 patent. These products include, but are not limited to Carta for Private Companies, Carta for Venture Capital, and/or CartaX, alone or in combination ("Accused Products").

113. In addition to directly infringing the '954 patent, Carta has indirectly infringed and continues to indirectly infringe one or more claims of the '954 patent, including at least claim 1, by actively inducing others to directly infringe the '954 patent in violation of 35 U.S.C. § 271(b). Specifically, and in light of the knowledge of the '954 patent by Carta (at least by the filing of this Complaint), Carta knowingly induced infringement of the '954 patent with specific intent to do so by its activities relating to the sales and offers to sell its Accused Products to its purchasers, and by instructing and encouraging purchasers to operate and use those products in an infringing manner with knowledge that these actions would infringe the '954 patent.

114. Carta has also contributed to infringement of the '954 patent by others by selling or offering to sell products that constitute a material part of the '954 patent claimed inventions, that are especially made and/or adapted for infringing the '954 patent and are not staple articles of commerce suitable for substantial non-infringing use and that have been sold to purchasers who infringe the '954 patent. Specifically, and in light of the knowledge of the '954 patent by Carta as previously alleged, Carta had knowledge that its products were specifically made and/or adapted for infringement of the '954 patent and are not staple articles of commerce suitable for substantial non-infringing use.

115. For example, Carta has infringed, and continues to infringe, at least claim 1 of the '954 patent:

1. A computer-implemented data processing system comprising:

a network interface that connects the data processing system to computers associated with a plurality of users by way of a communication network, the plurality of users including companies, institutional investors, individual investors, and exchanges, the network interface receiving information from the computers including information regarding capitalization and financial performance of companies, the capitalization including equity securities and debt securities issued by the companies and traded in

1 private capital markets, the investors having ownership interests in the equity securities
and the debt securities; and

2 a data storage system that receives and stores the information regarding capitalization
3 and financial performance of companies; and

4 a processor and computer-readable media, the computer readable media having
5 instructions stored therein that when executed by the processor cause the processor to
6 implement stored capital management logic, the stored capital management logic being
7 accessible to the plurality of users by way of the communication network, the stored
8 capital management logic being configured to facilitate pre-financing and post-
financing transactions and other interactions between the companies, the institutional
investors, the individual investors, and the exchanges throughout one or more rounds
of financing of the companies, the stored capital management logic being configured
to track the capitalization and financial performance of the companies.

9 116. The Accused Products have a computer-implemented data processing system. For
10 example, the Accused Products, such as Carta for Private Companies and Carta for Venture Capital,
11 provides an “all-in-one platform” that can receive and output various data.
12 <https://carta.com/investors/>; see also, e.g., <https://carta.com/private-companies/>. As another example,
13 Carta alleges that CartaX is “[t]he first vertically integrated market ecosystem for private equity[.]”
14 <https://cartax.com/>.

15 117. The Accused Products have or work with a network interface that connects the data
16 processing system to computers associated with a plurality of users by way of a communication
17 network, the network interface receiving information from the computers, as is evidenced by the
18 interactions of the users described below. <https://carta.com/investors/>; see also, e.g.,
19 <https://carta.com/private-companies/>; <https://cartax.com/>; [https://cartax.com/institutional-](https://cartax.com/institutional-investors/#expand-investment-opportunities)
20 [investors/#expand-investment-opportunities](https://cartax.com/institutional-investors/#expand-investment-opportunities).

21 118. The Accused Products have a plurality of users by way of a communication network,
22 the plurality of users including companies, institutional investors, individual investors, and exchanges.
23 For example, the Accused Products allow for companies and investors to complete “a tender offer or
24 secondary with a third party buyer” “through the Carta feature.”
25 <https://support.carta.com/s/article/transfer-shares>. Moreover, the Accused Products involve exchange
26 users, including Carta Securities, LLC. For example, the Accused Products, such as Carta for Private
27
28

1 Companies and Carta for Venture Capital, “transact[] \$140 million+ in option exercises, repurchases,
2 and tender offers per month.” <https://carta.com/carta-vs-shareworks/>.

3 119. As a further example, the Accused Products, such as CartaX, which Carta alleges is
4 “[t]he first vertically integrated market ecosystem for private equity,” <https://cartax.com/>, allow for
5 “[an] issuer (i.e., company) [to] exercise controls on the auction configuration,” where “the auctions
6 can be accessible by *any institutional investor* on the buy side and *anyone on the cap table* on the sell
7 side.” <https://tribecap.co/1-trillion-in-equity-how-carta-is-set-to-unlock-the-private-markets/>
8 (emphasis in original). The Accused Products, such as CartaX, also involve exchange users. As Henry
9 Ward, Carta’s CEO, stated, “[i]f CartaX wins, in 10 years there won’t be a NYSE or a Nasdaq.”
10 <https://www.ft.com/content/d52b0487-b13c-4bae-bf27-770518ff083d>; *see also* <https://cartax.com/>
11 (“CartaX: More than a trading platform”); [https://capital.com/silicon-valley-start-up-carta-looks-to-](https://capital.com/silicon-valley-start-up-carta-looks-to-launch-private-share-trading-platform)
12 [launch-private-share-trading-platform](https://capital.com/silicon-valley-start-up-carta-looks-to-launch-private-share-trading-platform) (describing CartaX as “a private share trading platform that
13 [Carta] hopes will be a credible alternative to leading stock exchanges.”).

14 120. The Accused Products have or work with a network interface that receives information
15 from the computers including information regarding capitalization and financial performance of
16 companies, the capitalization including equity securities and debt securities issued by the companies
17 and traded in private capital markets, the investors having ownership interests in the equity securities
18 and the debt securities, as well as a data storage system that receives and stores the information
19 regarding capitalization and financial performance of companies. For example, the Accused Products
20 provide for or work with a network interface that receives and a data storage system that receives and
21 stores financial information regarding financial performance of companies, such as “revenue and net
22 income” and “cash balance,” as required in Carta for Private Companies and Carta for Venture Capital
23 (<https://support.carta.com/s/article/financing-history-page>), or such as “data on scores of private
24 companies” and “key financial metrics,” as required in CartaX
25 (<https://www.ft.com/content/d52b0487-b13c-4bae-bf27-770518ff083d>;
26 [https://www.tradingandinvestmentnews.co.uk/silicon-valley-start-up-carta-plans-private-stock-](https://www.tradingandinvestmentnews.co.uk/silicon-valley-start-up-carta-plans-private-stock-exchange-to-rival-nasdaq/)
27 [exchange-to-rival-nasdaq/](https://www.tradingandinvestmentnews.co.uk/silicon-valley-start-up-carta-plans-private-stock-exchange-to-rival-nasdaq/)).

121. As another example, the Accused Products further provide for “Capitalization” features which involve a network interface that receives and a data storage system that receives and stores information regarding capitalization. <https://support.carta.com/s/article/exporting-the-cap-table>. The capitalization includes equity securities such as preferred stocks (labeled as “PS” in the Accused Products), as well as debt securities such as convertible notes (labeled as “CN” in the Accused Products). *Id.* These securities are issued by companies, such as “Meetly” as illustrated by the Accused Products. *Id.* The securities are traded in the private capital markets through the “Transaction” tab and as further detailed below. *Id.* As a further example, the Accused Products, such as CartaX, offers “[s]eamless cap table integration”, allowing individual and institutional investors to have access to companies’ capitalization information. <https://cartax.com/>.

122. The Accused Products have or make use of a processor and computer-readable media, the computer readable media having instructions stored therein that when executed by the processor cause the processor to implement stored capital management logic, the stored capital management logic being accessible to the plurality of users by way of the communication network, as is evidenced by the “all-in-one platform” that can receive and output various data offered by the Accused Products, such as Carta for Private Companies and Carta for Venture Capital. <https://carta.com/investors/>; *see also, e.g., https://carta.com/private-companies/*. The same limitation is further met by CartaX, which Carta alleges is “[t]he first vertically integrated market ecosystem for private equity[.]” <https://cartax.com/>.

123. The Accused Products have the stored capital management logic being configured to facilitate pre-financing and post-financing transactions and other interactions between the companies, the institutional investors, the individual investors, and the exchanges throughout one or more rounds of financing of the companies. For example, the Accused Products have the capital management logic that is configured to facilitate pre-financing transactions, such as due diligence, between the companies, the institutional investors, the individual investors, and the exchanges throughout one or more rounds of financing of the companies, allowing Carta’s users to “quickly respond to inquiries during the due diligence process” and “alleviat[e] a buyer’s concerns.” <https://carta.com/blog/how-carta-helps-with-m-a/>.

124. As another example, the Accused Products have the capital management logic that is configured to facilitate pre- and post-financing transactions, such as secondary transactions, between the companies, the institutional investors, the individual investors, and the exchanges throughout one or more rounds of financing of the companies, where “[p]articipants review offers, sign docs, and transact all through Carta.” <https://carta.com/private-companies/liquidity/>.

125. As a further example, CartaX is a “secondary platform” for transaction of “private assets.” <https://tribecap.co/1-trillion-in-equity-how-carta-is-set-to-unlock-the-private-markets/>; <https://cartax.com/>. CartaX also “[f]acilitate[s] access to disclosures and company-provided KPIs to all permissioned buyers and sellers.” <https://cartax.com/private-companies/carta-cross/>.

126. The Accused Products have the stored capital management logic being configured to track the capitalization and financial performance of the companies, as explained above. For example, the Accused Products track companies’ financial performance, such as “revenue and net income” and “cash balance,” as required in Carta for Private Companies and Carta for Venture Capital (<https://support.carta.com/s/article/financing-history-page>), or such as “data on scores of private companies” and “key financial metrics,” as required in CartaX (<https://www.ft.com/content/d52b0487-b13c-4bae-bf27-770518ff083d>; <https://www.tradingandinvestmentnews.co.uk/silicon-valley-start-up-carta-plans-private-stock-exchange-to-rival-nasdaq/>). As another example, the Accused Products track companies’ capitalization including equity and debt securities. <https://support.carta.com/s/article/exporting-the-cap-table>; <https://cartax.com/>.

127. In confirmation of the specific and concrete advancements of the AllRounds patented technologies over the prior art, Carta asserts that the patented technologies are so valuable that they will allow Carta to put the New York Stock Exchange and the Nasdaq out of existence and create the never-before-seen ability for a company to be both “private and liquid.” <https://www.tradingandinvestmentnews.co.uk/silicon-valley-start-up-carta-plans-private-stock-exchange-to-rival-nasdaq/>.

128. As the direct and proximate result of Carta’s conduct, AllRounds has suffered and, if Carta’s conduct is not stopped, will continue to suffer, severe competitive harm, irreparable injury,

1 and significant damages, in an amount to be proven at trial. Because AllRounds' remedy at law is
 2 inadequate, AllRounds seeks, in addition to damages, temporary, preliminary, and permanent
 3 injunctive relief. AllRounds' business operates in a competitive market and will continue suffering
 4 irreparable harm absent injunctive relief.

5 **JURY DEMAND**

6 Pursuant to Civ. L.R. 3-6 and Fed. R. Civ. P. 38, AllRounds requests trial by jury for all causes
 7 of action, claims, or issues in this action that are so triable.

8 **PRAYER FOR RELIEF**

9 WHEREFORE, AllRounds demands judgment against Defendants as follows:

10 129. For judgment in AllRounds' favor and against the Defendants on all causes of action
 11 alleged herein against them;

12 130. For preliminary and permanent injunctive relief;

13 131. For judgment that this is an exceptional case;

14 132. For punitive damages;

15 133. For disgorgement of profits;

16 134. For restitution;

17 135. For costs of suit incurred herein;

18 136. For prejudgment and post-judgment interest;

19 137. For attorneys' fees and costs; and

20 138. For such other and further relief as the Court may deem to be just and proper.

21 DATED: October 9, 2020

22 Respectfully submitted,

23 /s/ Adam R. Alper

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